#W.01303A.07.0209

# ORIGINAL



## ARIZONA CORPORATION COMMISS

#### UTILITY COMPLAINT FORM

4700

Phone: Investigator: Guadalupe Ortiz **Priority: Respond Within Five Days** Date: 5/1/2007 No. 2007 - 60065 Inquiry 08A Rate Case Items - Opposed **Complaint Description:** N/A Not Applicable First: Last: **Holmes Complaint By:** D D. Holmes Home: **Account Name:** Work: Street: Sun City West CBR: City: ΑZ Zip: is: State: Arizona - American Water Company **Utility Company.** Water Division: **Contact Phone:** Jeanne Franz **Contact Name: Nature of Complaint:** Arizona Corporation Commission 5/1/2007 - Email Received: DOCKETED RE: Docket No. W-01303A-07-0209 MAY - 4 2007From: D. Holmes I

Sent: Monday, April 30, 2007 5.22 PW

To: Utilities Div - Mailbox

Cc: Az Republic

Subject: Docket # W-01303A-07-0209 - Rate Increase Opposed

#### **Dear Corporation Commissioners:**

I and a substantial majority of the over 95,000 senior citizens residing in Sun City and Sun City West, opposed the subject and proposed rate increases requested by Arizona American Water, for, among others, the following reasons:

DOCKETED BY

- 1) Del Webb Development Corporation, paid for and installed the water systems serving over 100,000 units in Sun City and Sun City West, 30+ years ago; the proposed rate increases are not attributable to these existing services.
- 2) Del Webb Development sold the processing plants and pumps to AZ American related to water and sewer service to Sun City and Sun City West, a bargain basement price years ago; the actual capital investment of AZ American to maintain and upgrade services limited to Sun City and Sun City West, has been minimal, considering the past rate increases to these two service areas, making service to Sun City and Sun City West profitable.
- 3) The requested and subject rate increases related to the expansion of the AZ American service areas outside

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and beyond Sun City and Sun City West, definable by meter number and zip code. Sun City and Sun City West residents should not be taxed, charged through increased rates, for the AZ American services outside Sun City and Sun City West.

4) As with all rate increases, including but not limited to the subject docket number, utility, and in the instant case WATER/SEWER, rates for pre-existing service areas, e.g., Sun City and Sun City West, should not be increased or burdened by virtue of the utilities (Az American per subject docket) expanding service areas to new areas and developments. The costs and resulting rates for service to expansion areas should be borne by the expansion area residents, not existing service customers.

Thank you,

D. Holmes

End of Complaint

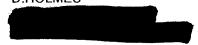
**Utilities' Response:** 

### **Investigator's Comments and Disposition:**

5/2/2007 - CORRESPONDENCE MAILED TO CUSTOMER:

May 2, 2007

**D.HOLMES** 



RE: ARIZONA - AMERICAN WATER COMPANY

DEAR D.HOLMES:

Your letter regarding the Arizona - American Water Company ("AAWC") rate case will be placed on file with the Docket Control Center of the Arizona Corporation Commission ("Commission") to be made part of the record. The Commission will consider your comments before a decision is rendered in the AAWC application.

The concerns raised in letters received from customers will assist the Commission in the investigation and review of the rate application. The Commission's independent analysis of the utility and its rate request attempts to balance the interest of the utility and its customers.

Commission Staff is very sensitive to the burden that high utility rates can place on the consumer, and though constitutionally required to allow a fair return to the utility, does everything within its authority to protect the consumer.

Staff appreciates your comments and the interest taken on the proposed rate increase. If you should have any questions relating to this issue, please call me toll free at (800) 222-7000.

Sincerely,

Guadalupe Ortiz Public Utilities Consumer Analyst

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Arizona Corporation Commission Utilities Division

CLOSED \*End of Comments\*

Date Completed: 5/2/2007

<u>Inquiry No.</u> 2007 - 60065